2: Murphy G-4 (no date) 1953 AF15 East China AF15

MAPS

1. East Asia 5
2. Landforms of China 14
3. Land Use at Shanghai, 1936 26
4. The Yangtze River System 46
5. Waterways of the Yangtze Delta 49
6. Early Foreign Settlements at Shanghai 62
7. Distribution of Population in China 74
8. Railways of China, as of 1936 91
9. Tea and Silk Areas of China in the Nineteenth Century, and Coal Mines Mentioned in the Text 105
10. Distribution of Cultivated Land in China 134
11. Distribution of Rice Production in China 141

GRAPHS

1. Population of Shanghai, 1840–1936

There are no complete records of the population of Shanghai at any period. This graph has been compiled from a variety of estimates: Fortune (1846), Medhurst (1850 and 1864), Schmidt (1874), Maclellan (1889), Feetham (1931), *Shang-hai shih nien-chien* (1936), *et al.* The influx of Chinese refugees between 1852 and 1865 was an important matter for the foreigners, and most works covering the period give yearly estimates of the population of the foreign settlements. For the remainder of the period before 1928 the only consistently available estimates are decennial. Both sets of figures are approximations only, but those for the total urban area are especially imprecise. 22

2. Foreign Population of Shanghai, 1843–1936

Figures for the foreign population are reasonably accurate since each group of foreign nationals was the responsibility of a consul and since most of the foreigners lived within the settlements. Sources as for graph 1. 23

[p. xi]

2: Murphy G-4 (no date) 1953 AF15 East China AF15

TEN

The Geography of Shanghai Manufacturing

Shanghai is not only the primary industrial center of China proper, but has a virtual monopoly of large-scale manufacturing enterprises in nearly every field. Two factors are principally responsible for this concentration. First, Shanghai and its trading area represent by far the largest market in China; and second, despite the local absence of most industrial raw materials, cheap transportation makes it possible for Shanghai industry to produce competitively.

361

Evaluation of Data

More statistical work has been done on Shanghai manufacturing than on almost any other economic problem in China. It is therefore perhaps a commentary on statistical work in China that what has been done on Shanghai falls so short of reliability as measured by any criteria. A further difficulty is that no large-scale work has been published on the problem since 1936; this limits the use of statistics here almost entirely to the pre-war period. The standard study of Liu Ta-chün (1936) draws on the findings of six different surveys made during the late 1920's and early 1930's by the municipal governments of both the foreign and Chinese settlements and by private groups. The combined data of these six surveys do not cover more than two-thirds of Shanghai manufacturing, by workers or by industries. Where two or more surveys cover the same material, their data are almost invariably contradictory. In most of the surveys, and in Liu's compilation, totals are wrongly added, figures misplaced, columns transposed, and statistical paradoxes abound.

128

[p. 165]

2: Murphy G-4 (no date) 1953 AF15 East China AF15

128 659 471 These faults are apart from the inherent difficulties of the problem. Until 1945 no one municipal authority had jurisdiction over the entire city, and it was impossible for any one survey to collect complete data, especially on matters such as wages, costs, and capital investment. A much greater difficulty was presented by the fact that something like 80 per cent of the manufacturing establishments in Shanghai employed fewer than 30 workers (and were therefore not liable to regulation or inspection under the National Factory Act of 1929) and operated in private houses. What statistics are used here must be read with the foregoing in mind, realizing that they are in nearly all cases approximations of limited reliability.[1]

471 While perhaps four-fifths of the total number of "factories" in Shanghai employed fewer than 30 workers, probably about two-thirds of the total industrial workers in the city were employed in factories with a labor force of over 30, and perhaps three-quarters of the total industrial production, by value, of the entire city was accounted for by these larger factories.[2] Most of the figures which will be cited here are based on investigations of these larger factories, and while they are to that extent incomplete, they do at least deal with the most important segment of Shanghai manufacturing in terms of labor force and of value of production.

The Pattern of Manufacturing

471 178 Estimates of the degree to which China's industry was concentrated in Shanghai before 1937 differ, but it is clear that Shanghai accounted for about half of the country's large-scale Western-type industrial production. Liu's figures[3] show in 1932–33 136 modern cotton mills in China, of which 64 were in Shanghai, 60 modern tobacco factories, of which 46 were in Shanghai, 83 modern flour mills, of which 41 were in Shanghai, and 2435 modern factories of all kinds in China, of which 1200 were in Shanghai. He estimated that 43 per cent of China's industrial workers in modern manufacturing were employed in Shanghai, and that the city accounted for 51 per cent of the value of China's industrial production.*

* Liu does not define "modern." According to his analysis of "modern" factories elsewhere in his work, the term means factories employing 30 or more persons and using power-driven machinery. However, on this basis his figure of 2435 "modern" factories for the whole of China in 1932–33 would seem too low.

3: Hinder G-5 (1933-1942) 1944 AF15 East China AF15

AUTHOR'S PREFACE TO THE PRESENT EDITION

On the morning of October 10, 1942, a ship steamed up the Mersey River carrying British and other European repatriates from the Far East recently exchanged for Japanese from the British Empire. For more than three weeks since the ship had left Capetown no radio broadcast had been received aboard. Suddenly down the passages and companionways the voice of the British Broadcasting Corporation was heard. It announced the relinquishment by Great Britain and the United States of the extra-territorial rights held by these countries in China. For everyone on the ship the moment was symbolic. The 18,000-mile repatriation journey's end, at the end of a residence in China, coincided with the end of an era. To those who considered that the special privileges were overdue for abrogation the news was welcome.

Final page proofs of the first edition of this book which had covered the situations it describes down to the middle of 1941, were ready in Shanghai when Pacific hostilities broke out on December 8, 1941. The British printing plant in which it was being published was closed by Japanese orders and remained so until May 1942. Thereafter its operations under Japanese supervision were permitted providing nothing was published without the approval of the Japanese Press Bureau. Consent to the appearance of the first edition was finally given on condition that all references to foreign countries were excised. The final chapter had originally made mention of recent progressive moves in industrially backward countries on the part of Great Britain. These were removed without in any way compromising the thesis of the book. All references to the Institute of Pacific Relations under whose auspices the book was to appear were also eliminated. The publication appeared at the beginning of August 1942, as a document of the Shanghai Municipal Council, but the Japanese Press Bureau would not permit its sale.

For the first eight months after the outbreak of hostilities the Shanghai Municipal Council's Industrial and Social Division went on under my direction. Indeed, some unusual opportunities presented themselves for progressive social developments, arising from the need for emergency measures aimed to control the factors affecting the people's livelihood. I resigned my post to return home, leaving Shanghai on August 17, 1942. For me thus ended a period which had begun in January 1933, during which I had the privilege of building up a

3: Hinder G-5 (1933-1942) 1944 AF15 East China AF15

114

Division aiming to serve the people. The work was relinquished with great regret and only because changed administrative controls made it necessary to do so.

128

This second edition of the monograph has been prepared at the request of the Institute of Pacific Relations. It speaks now in the past tense. It aims at viewing in perspective the ten-year experiment in creating an administrative social instrument in one of China's major cities and in assessing its usefulness as a pattern. The kind of industrial and social services that a Chinese city will need to meet the problems that will persist into the future is suggested in the body of the text and in a new final chapter. In the re-writing there has been kept in mind the possible value which the record may also have for those who, of whatever nationality, will take part in post-war rehabilitation and reconstruction measures in which the understanding of social situations will be important.

ELEANOR M. HINDER

Montreal, Canada.
September 1943.